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FLOOR DEBATE

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LB 898. I think you might think of that as being a...a temporary reduction. I would hope it would be. We would have some cut in the...in the revenue expenditures. And we'd have a temporary solution on the revenue side. What about the narrowing of the sales tax base? Haven't done a thing about it. Continues to narrow, being smaller. What about the income tax base? It continues to be narrow. What about the long-term property tax obligations? Remains the same. In other words, the package that's being generally suggested by the lobby, which is, don't do anything about LB 775, into a half-cent sales tax for two years, leaves us in exactly the place we were in the Special Session, but it does buy us some time. It is a short-term solution that does nothing about the underlying problems of the mismatch between our revenue and our expenditure. The lobby solution is to take a tax (inaudible), which the public generally supports because it's invisible, and to let them out of the...of the problem solution. The half-cent sales tax leaves the corporate community out of the solution matrix. It leaves poor people still in, because we're going to cut Medicaid. It may or may not leave property taxpayers in, depending on what happens on LB 898. I think the idea is to leave them out, I think to have a...a holy alliance between the corporate community not being taxed at all, and the...the school community avoiding LB 898. But it does nothing about the long-term problems. It is the essence of a short-term solution. We're getting ready to, now, into the nuts and bolts of LB 1085, and I think you can see that there are...there are problems with it. I think the body is going to tell us they're not crazy about a sales tax on services; I think they're going to tell us that. One of the things...the reason I raise my voice now is to say, we're on the precipice, right now, of making a short-term solution being imposed or suggested to us by the lobby, that has no long-term healing effect for our problem. The only solutions that we get are given to us by the Appropriations Committee, to the extent that they cut state government. That's the only solution. What should we be doing? Seems to me there are two or three things that we need to do. Number one, we need to recognize that this solution requires an expansion of the base someplace, someplace. If it's not in the form of services, which I think is reasonable, it should be in the form of taking away exemptions that exist now. They should be permanent,